

103D CONGRESS
1ST SESSION

S. 880

To amend the Internal Revenue Code of 1986 to clarify the treatment of interest income and rental expense in connection with safe harbor leases involving rural electric cooperatives.

IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 19), 1993

Mr. BOREN (for himself and Mr. PRYOR) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to clarify the treatment of interest income and rental expense in connection with safe harbor leases involving rural electric cooperatives.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That in the case of a rural electric cooperative described
4 in section 1381(a)(2)(C) of the Internal Revenue Code of
5 1986, any interest income in connection with a transaction
6 involving qualified leased property which was treated as
7 a lease under section 168(i) of the Internal Revenue Code
8 of 1986 (as in effect before the amendments made by the

1 Tax Reform Act of 1986) or any corresponding prior pro-
2 vision of law shall be offset by any rental expense in con-
3 nection with such transaction before allocation of such in-
4 come or expense to members and nonmembers of such co-
5 operatives for purposes of such Code.

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